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C O N F I D E N T I A L SECTION 01 OF 04 UNVIE VIENNA 000573

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SUBJECT: WASSENAAR ARRANGEMENT: PLENARY REPORT DECEMBER 2-3

REF: A. UNVIE 522 - GENERAL WORKING GROUP REPORT OCTOBER  
[1B.](#) UNVIE 559 - REQUEST FOR GUIDANCE ON PLENARY  
DECISION ON EXTENSION FOR HEAD OF  
SECRETARIAT  
[1C.](#) SECSTATE 123508 - GUIDANCE FOR DECEMBER  
WASSENAAR PLENARY

Classified By: Deputy Chief of Mission Geoff Pyatt, Reason 1.4 (d).

[11.](#) (C) Summary: Changes to the controls lists continues to be the strong success story of the Wassenaar Arrangement (WA) Plenary meetings. Russian intransigence on policy issues remains the stumbling block to progress on Best Practices. The Russian head of delegation (Grigory Mashkov) refused to approve a one-year extension of the current head of secretariat, surprising the assembly by instead asking for a two-year extension, to be approved through a silence procedure because extension needed approval from Moscow. On a positive note, the Plenary approved a U.S. proposal to conduct a briefing on changes to the control lists, after the U.S. delegation obtained Russian agreement. End Summary.

Head of Delegation Pre-Meeting

[12.](#) (C) The WA Plenary began inauspiciously at a December 1 Head of Delegation (HOD) meeting called by the Plenary Chair to determine whether there was agreement on a number of General Working Group (GWG) proposals that in October were close to agreement. In October only France had objected to Japan's proposed Best Practices on Internal Compliance Programs, but expected to resolve these issues by the Plenary. Japan posted a revised text on November 19 that contained minor grammatical fixes, but at the HOD meeting Russian Head of Delegation Grigory Mashkov claimed it had been "70% changed" and therefore Russia needed more time to review. A Danish proposal on transportation of arms that had been held pending U.S. clearance, but subsequently approved by the U.S., was also blocked by Russia based on its view that the proposal went beyond the WA's mandate.

[13.](#) (C) With respect to the Russian proposal on Best Practices on Re-Export Control, Poland took the lead in saying it was working on a revised text that it thought would take into account the concerns of all parties. Mashkov responded that the EU statement at the May GWG created problems, because the statement was a "take it or leave it" proposition and as such was unacceptable. Furthermore, Russia objected to having an entity (the EU) that is not a member of the WA dictate policy in Wassenaar. (Note: At the May GWG, the Czech delegation, as then EU president, issued a statement saying all EU countries that are members of the WA objected to the Russian

draft of the Best Practices document; instead they supported the Polish edits. Ref. A, para 3. End note.) Russia believes that licensed production is not a bilateral issue; it is an export control issue. Russia wants to prevent weapons of Russian origin (based on Russian technology) from being used to kill Russian soldiers. Mashkov asked that the EU renounce its statement from May; otherwise, it was not worth continuing the discussion. He went on to say that re-export controls would be an important element of an Arms Trade Treaty and if the EU could not agree to a politically binding document, it was unlikely to get agreement on a legally binding Arms Trade Treaty that must include re-export controls.

¶4. (C) The HOD meeting briefly touched on the question of extending the current Head of Secretariat for one year. Mashkov stuck to the position that names of possible successors must be put forward before Russia would agree to an extension. While belaboring the issue, Mashkov noted that Russia felt this was an insignificant issue that had been given too much attention and took time away from substantive discussions. Mashkov then indicated Russia objected to a one-year extension as that would mean changing the Head of Secretariat in the middle of an Assessment year. He suggested extending the current Head of Secretariat for a longer period - possibly 18 months or 2 years. (Note: During a pre-meeting bilateral with the U.S., Mashkov reported that he had been demarshaled by the Swedish Ambassador on the extension question, as had his deputy minister in Moscow. He said that, though he was not making linkages, he pointed out to the Swedish Ambassador that, while acting as the current

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EU president, the Swedish Ambassador was asking a favor of him ) to agree to extend the current Head of Secretariat, who is a Swedish diplomat ) when the EU had killed the Russian proposal on Re-Export Controls. End note.)

#### Plenary Discussions

¶5. (SBU) After adoption of the agenda, Russia issued an opening statement. Georgia was again Russia's primary concern with a repeat of the claim that the conflict in Georgia showed that the WA was unable to meet its primary focus of preventing destabilizing accumulations of arms. What is more, nothing was done to improve the situation and WA Participating States were re-arming Georgia. Russia noted it was not inclined to discuss the issue of Re-Export Controls, based on the rejection by the EU of the proposal in May. In summary, Russia felt that the WA had stopped being a platform for discussion and if this did not change then Russia would re-evaluate its participation.

¶6. (SBU) Agreement was reached to continue discussions on all GWG policy issues in 2011. There were three successes at the Plenary: 45 changes to the controls lists, including 20 U.S. proposals, were agreed; a U.S. proposal for a seminar on changes to the control lists for select non-participating States, and a Russian proposal for a side discussion group on the issue of destabilizing accumulations were both agreed to on a trial basis. The general theme of the rest of meeting was Russian recalcitrance.

¶7. (SBU) Sweden noted it was going to hold a meeting in Stockholm in January 2010 to discuss how to move its proposal on ammunition reporting. The Russian delegation noted at the table that it did not see the point in informal consultations if agreement could not be reached in Vienna; it was not worth sending experts to Stockholm when Wassenaar had bigger problems with regard to destabilizing accumulations, and Russia did not want to divert attention away from major WA issues. So, Russia asserted, unless there was agreement on broader conventional arms issues, it was not willing to take time to discuss ammunition reporting. The U.S. delegation talked to Sweden on the margins to make it clear that the U.S. could not support ammunition reporting, but indicated we

may attend the Stockholm meeting.

**¶18.** (SBU) The UK expressed the hope that progress could be made in 2010 on its proposal for arms denial reporting and denial consultation. It believed the proposal would strengthen the organization. Russia responded that the situation in Georgia showed that this idea would not work. Due to concerns about the arms build-up in Georgia, the Russian president issued an arms embargo on Georgia, yet Participating States still sent arms to Georgia for political reasons and did not consult with Russia. Also, the proposal had commercial implications: without a 'no undercut' policy agreed between producing countries, this proposal could result in financial implications for exporters.

**¶19.** (SBU) Japan's proposal for Best Practices on Internal Compliance Programs was also blocked by Russia. The Russian delegation raised a number of questions that it had not brought up at previous meetings. Russia said it was willing to continue to work on the proposal in 2010.

**¶10.** (SBU) Denmark's proposal on Guidelines for Controlling Transportation of Conventional Arms in Order to Prevent Destabilizing Accumulations was blocked by Russia with the claim that the proposal was outside the mandate of the WA because it discusses transfers between third parties most of which are outside the WA. Russia also pointed out that Wassenaar does not deal with illicit trafficking. Rather, its basic task is to prevent destabilizing accumulations of arms in zones of conflict. There are other fora that discuss illicit trafficking. Finally, Russia noted there was no common definition of "brokering" so care needs to be taken in using the word.

#### Re-Export Controls

**¶11.** (C) In an effort to try to mitigate the repercussions from the May EU statement on the Russian Re-Export Control proposal, Poland took the floor to announce it was working on

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new language for the proposal that will potentially meet the concerns of all parties. However, work still remained before the document could be shared with Participating States. Romania and Bulgaria chimed in to say they looked forward to constructive dialogue on the issue in 2010. This was a coordinated response; the document was not ready to be shared, because not all the countries most impacted by the Russian proposal had yet agreed to the revised Polish language. Some EU country representatives informally advised the U.S. delegation that the five countries impacted by the Russian proposal had been pressed by the EU to make progress because the Czech-sponsored statement had significantly impacted the work of the WA.

**¶12.** (C) Russia responded that it hoped that these assurances (which had not come from all the countries that blocked the Russian proposal) would lead to more constructive progress. Russia also noted that there was movement away from the "consolidated" position from May. Russia was offended by the EU statement in May and expressed appreciation for the Participating States that were "bold enough" to express support for Russia's proposal. If agreement was not reached soon there would be a serious implication for the future of the WA. The Russian delegation also stressed that an essential element of an Arms Trade Treaty (which was being promoted by many of the countries blocking the Russian proposal) would be re-export controls.

#### Plenary Success Stories

**¶13.** (SBU) Experts Group: The changes to the control lists proposed by the Experts Group (EG) sailed through without comment. The Plenary endorsed EG requests for mandates to pursue controls on robotically controlled vehicles in 2010 and to continue to refine controls on night vision related

items. The Plenary also endorsed an EG request that the Secretariat make control lists from previous years and the list of changes each year available on the WA website.

¶14. (SBU) Technical Briefing: The U.S. proposal to hold a briefing on changes to the control lists for select non-Participating States reached consensus. The U.S. brokered a compromise with the Russian delegation that the briefing would be held on a trial basis to determine interest in the briefing. The briefing would be held in Vienna in conjunction with either the Spring EG meeting in April or the EG intersessional meeting in June. Belarus, Bosnia-Herzegovina, Brazil, Chile, the Peoples Republic on China, Iceland, India, Indonesia, Israel, Kazakhstan, Malaysia, Mexico, Peru, Serbia, Singapore and the United Arab Emirates would be invited.

¶15. (SBU) Destabilizing Accumulations: Russia expressed frustration that there was no discussion in the GWG on the new agenda item of destabilizing accumulations. The Russian delegation had proposed in May that the WA work towards defining the term and look at how Participating States reviewed applications for exports of arms to regions of conflict. The U.S. counter-proposal noted that the WA had attempted to define the term in 1998, but the consensus was that the definition of what was "destabilizing" would change depending on a specific situation. In reviewing the papers from 1998, there did not appear to be any new arguments to make. However, the U.S. delegation suggested having a mechanism for convening ad hoc meetings to discuss crisis situations when they arose. These meetings could be held on the margins of a GWG; would not require or expect attendance by all Participating States; and would be informal with no official reporting back to the GWG unless agreed by participants.

¶16. (C) At the Plenary, Russia proposed formalizing the meeting process proposed by the U.S. by establishing an open-ended ad hoc working group, and having the meeting discuss how to define "destabilizing accumulations"; how Participating States apply the basic principles of the WA; and possibly prepare recommendations for the GWG. In making its case, Russia repeated that the Georgia situation had proven that the WA had not met its primary focus of preventing destabilizing accumulations. Russia took this to mean that Participating States did not want to discuss Georgia and that States were trying to push Russia out of the

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region. However, the transfer of weapons to "hotbeds" presents a grave danger; proof of this was the number of Russian peacekeepers killed in the Georgia conflict. Russian head of delegation then proceeded to read the list of Russian soldiers killed as well as their birthdates, noting that some were the same age as his son. The U.S. head of delegation expressed her personal sympathy to the families who lost service members in Georgia, as well as other conflicts. However, speaking on behalf of the U.S., she indicated that the Russian proposal needed more clarity before it could be accepted, and sought a written proposal. Russia prepared a written proposal and, after significant debate and compromise, Participating States agreed to establish the ad hoc working group on a trial basis for one year.

¶17. (SBU) Outreach: Discussion on 2010 Outreach activities was limited. Russia again objected, asking why by Brazil, India, and Peru were recommended for outreach when at least Brazil and India have previously said they were not interested. Argentina advised that Peru had expressed interest, and compromise was reached to approach only Peru and to leave open contact with the other two countries should they express interest either to the Secretariat or to Participating States on a national basis.

¶18. (SBU) Membership: The EU again read its statement expressing support for Cyprus; the U.S. expressed support for

Cyprus' eventual membership; and Turkey again blocked Cyprus' application. On the other applicant countries, Russia questioned including Bosnia-Herzegovina and Chile in countries targeted by the Friends of the Chair on Membership (FOC-M) when neither had submitted an application. The FOC-M chairman replied that both had sent letters saying they intend to apply. Russia objected to including these two countries because including them now showed Wassenaar was more interested in rushing applications than in substance. The Plenary agreed to add both countries to the FOC-M process when their applications are received.

#### Administrative Issues

¶19. (SBU) Head of Secretariat: No candidates to replace the current Head of Secretariat have come forward. Russia continued to block agreement on extending the mandate of the current Head of Secretariat without the identification or nomination of potential replacements. (Note: U.S. delegation understood that the UK and Japan were initially willing to indicate they had candidates to put forward, but neither country did so because of Russian posturing during the pre-plenary meeting. End note.) Russia then objected to a one-year extension, as this would require a change in the Head of Secretariat in the middle of 2011, an assessment year. As a way forward, Russia proposed extending Danielsson's mandate for two years, but also required that this recommendation be agreed to by a two-month silence procedure, saying it needed its proposal approved by Moscow. The Plenary Chair consulted Danielsson, who agreed in principle to the extension, but was concerned that logistical matters would be complicated if he did not have a decision now. After further Russian objections and Plenary Chair efforts at reconciliation, Danielsson agreed to wait to mid-February for a decision on the extension. As reported (ref. B), the Plenary has initiated a silence procedure until February 15. If silence is not broken, then Ambassador Danielsson will be extended for two years.

DAVIES